

Warren County Board of Supervisors

Committee: Gaslight Village Ad Hoc

Date: May 28, 2013

Committee Members Present:

Supervisors Monroe
Merlino
Montesi
Kenny

Committee Member Absent:

Supervisor Dickinson

Others Present:

Jeffery Tennyson, Superintendent of Public Works
Bill Lamy, Project Management Executive Committee
Robert Blais, Mayor, Village of Lake George
Kevin Geraghty, Chairman of the Board
Paul Dusek, County Administrator
Martin Auffredou, County Attorney
Joan Sady, Clerk of the Board
Frank Thomas, Budget Officer
Supervisors Mason
Strainer
Taylor
Kate Johnson, Director, Tourism
Michael Consuelo, Executive Director, Lake George
Regional Chamber of Commerce & CVB
Walt Lender, Executive Director, Lake George
Association
Don Lehman, *The Post Star*
Amanda Allen, Deputy Clerk of the Board

Mr. Monroe called the meeting of the Gaslight Village Ad Hoc Committee meeting to order at 9:30 a.m.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Copies of the Gaslight Village Ad Hoc Agenda were provided to the Committee members, and a copy of same is on file with the minutes.

Mr. Monroe apprised the first item under the New Business portion of the Agenda was discussion of the park construction schedule. Jeffery Tennyson, Superintendent of Public Works, recalled the last update provided with regard to the construction of the park included the contracts being released and signed with construction commencing in early August. He stated the main design package was currently under review with the New York State Department of Transportation (NYS DOT) and awaiting approval. He noted that because there were multiple sponsors and grants involved with the project, they were trying to release it in one large bid package in order for one contractor to be able to bid on both the Village and County contracts. Mr. Tennyson informed they were on schedule to begin construction in August.

Bill Lamy, Project Management Executive Committee, confirmed they had received notification that the NYS DOT was reviewing the project and following their review and submission to the Federal Highway Administration for review, Federal authorization would be granted to go out to bid for construction.

Mr. Montesi questioned how long the construction would take and Mr. Tennyson replied the main park construction would continue through the winter, noting a key part of this project would be to get the grading and plantings done early this fall to maximize the growing season, specifically on the Festival Space. Mr. Lamy added that total completion of the park was expected by the fall of 2014. Mr. Tennyson pointed out that included in this design package was the construction of the Festival Space, the environmental park and the children's playground. He noted construction of the skate park and children's playground would continue beyond the growing season.

Mr. Monroe stated the next Agenda item concerned grant reimbursement and cash flow. He reiterated that there were multiple grants involved in this project and in some the County was the grant applicant, others the Village was, and there were two private grants as well, from the Wood Foundation and the Wright Foundation. He mentioned that the funding from the Wood Foundation would be granted over a five year time period and the other grants would be reimbursed, which could cause delays and cash flow issues. He asked Mr. Tennyson to expound on that matter. Mr. Tennyson advised the grants were all reimbursable, which meant the funds had to be expended first and then would be reimbursed. He noted the Village had requested cash flow assistance from the County with the \$2.5 million TEP (Transportation Enhancement Program) grant. He added the County and Village also had New York State Department of State (NYS DOS) grants and the County had a New York State Environmental Facilities Corporation (NYS EFC) grant, all of which totaled approximately \$5 million worth of construction that would occur under those existing grants and cash flow would be an issue for both the County and the Village. Mr. Tennyson informed they were reviewing the grant agreements to determine what options were available for the County and the Village and they would return to the Committee at a later date with a recommendation as to how to proceed.

Mr. Monroe reminded the Committee that the County owned 62% of the property and the Village owned 38% and noted that Mr. Tennyson had proposed that when associated bills were received they be split according to the ownership of the property and the reimbursements should be distributed in the same manner. Mr. Tennyson pointed out that although the Village was the sponsor of the TEP grant, the County owned the results of that grant due to its' 62% ownership of the property, and the same was true with the County sponsored grants in which the Village owned 38% of the grant results. Mr. Lamy advised that one complication had been that they had tried to keep the Festival Space as a separate project without commingling funds between grants so that the owners could maintain the flexibility to charge for the use of the property. As other grant opportunities arose, he continued, they had identified money that was supplementing the construction under the TEP grant and as the project developed, other complexities had surfaced as to where the money was coming from to pay for the work, which had influenced the cash flow.

Mr. Monroe expounded the Village had borrowed \$400,000 for cash flow and the reimbursements had been coming in slowly and they would either have to borrow more money or the County could pay 62% of the cash flow out of surplus until the reimbursements were received which would reduce the amount the Village would have to borrow. Robert Blais, Mayor of the Village of Lake George, added the bills were being received faster than the reimbursements.

Mr. Lamy explained an estimated cash flow schedule had been prepared based on the NYS DOS grant reimbursement time frame, which was approximately eight months; therefore, he said, once heavy construction started, they would be approaching \$1 million to \$1.4 million of cash flow on a monthly basis. Mr. Montesi questioned the legality of using the County's surplus to pay the 62% of cash flow to the Village. Martin Auffredou, County Attorney, remarked there were concerns raised by the Treasurer's Office as to whether or not this type of arrangement would be subject to scrutiny by the State Comptroller's Office and it required further research prior to an agreement being executed. Mr. Lamy reiterated the combination of the different grants complicated the project. Mayor Blais asserted that this project was 100% grant funded.

Mr. Monroe stated the next item was regarding the Village audit due to the grant. Mayor Blais advised that when a community borrowed over a certain amount of money, it subjected them to an audit and because of the borrowing the Village had done for the park, they had been subjected to a single audit for the first time. He noted they had received quotes from various firms to perform the audit, indicating it would cost about \$18,000. He added the Village would be requesting assistance from the County to cover the cost of the audit.

Under the Items of Interest portion of the Agenda, Mr. Monroe remarked the first item was an update on the status of the land swap. Mr. Auffredou apprised the maps had been completed and the one for the Festival Space needed to be filed simultaneously with the closing. With regard to the land from the Steamboat Company, he said he was waiting for the update on the title report. He recognized the process had taken a long time but noted that there were many parties and lawyers involved in the matter. Mr. Auffredou added the agreements had been executed and all documents were ready to be filed and recorded.

Mr. Monroe questioned the impact on the construction contracts if the land swap was not completed and Mr. Lamy replied he believed that related to the water/sewer line separation on the access road from Beach Road into the park. Mr. Monroe opined if any of those utilities were located on the land that was part of the land swap that would need to be done before they could contract for the work and Mr. Lamy agreed.

Mr. Tennyson asserted the current design documents anticipated the land swap as complete and were based on the final boundary. He added there could be an issue if the land swap was not done by August but he did not foresee that as being a problem.

Mayor Blais recalled the Big Apple Circus had requested a pathway into the area and he wondered if a short agreement could be executed with the Steamboat Company and the Fort William Henry if the land swap was not completed by the time the circus event was scheduled to occur. Mr. Auffredou advised he was optimistic that the land swap would be completed prior to the Big Apple Circus; however, he said, if it was not done in time, a temporary agreement could be prepared.

Mr. Monroe expounded the last item on the Agenda for discussion pertained to the Festival Space construction. Mr. Tennyson remarked he may have to return to the Committee to request authorization to award a contract to move forward with the Festival Space if there were any issues with the TEP grant approvals at NYS DOT. He noted he did not anticipate

any issues but wanted the Committee to be aware of it. He further stated if there were issues with either the NYS DOT or the Federal Highway Administration in granting the Village approvals, he would like to proceed with at least the Festival Space construction in order to get as much work done and to allow for as much growing time as possible to establish turf on the Festival Space.

There being no further business to come before the Committee, on motion made by Mr. Montesi and seconded by Mr. Merlino, Mr. Monroe adjourned the meeting at 10:10 a.m.

Respectfully submitted,

Nicole Livingston, Second Deputy Clerk